

**CITY OF ANNAPOLIS, MARYLAND**  
**COMBINED STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND EQUITIES - PROPRIETARY FUNDS**

Exhibit 4

Year Ended June 30, 2001

With Comparative Totals for the Year Ended June 30, 2000

	Proprietary Funds		Totals (Memorandum Only)	
	Internal	Enterprise	Year Ended	
	Service Fund	Funds	June 30, 2001	June 30, 2000
Operating revenues				
Charges for services	\$ -	14,477,826	14,477,826	11,653,913
Other	166,538	198,322	364,860	122,618
Total operating revenues	166,538	14,676,148	14,842,686	11,776,531
Operating expenses				
Salaries	-	4,649,172	4,649,172	4,402,934
Utilities	-	611,343	611,343	474,613
Repairs and maintenance	-	998,035	998,035	637,578
Materials and supplies	-	548,040	548,040	433,553
Treatment plant operations	-	2,343,903	2,343,903	2,001,500
Contractual services	-	1,123,541	1,123,541	1,109,918
Administrative charge from general fund	-	2,375,368	2,375,368	2,448,861
Depreciation	-	1,582,432	1,582,432	1,618,964
Provisions (credits) for claims and estimated losses	13,150	-	13,150	(227,350)
Claim payments	285,004	-	285,004	121,415
Administrative expenses	47,453	-	47,453	51,777
Other	50,564	159,926	210,490	237,249
Total operating expenses	396,171	14,391,760	14,787,931	13,311,012
Operating income (loss)	(229,633)	284,388	54,755	(1,534,481)
Non-operating revenues (expenses):				
Grant income	-	1,675,303	1,675,303	2,036,117
Interest income	123,735	-	123,735	117,780
Interest expense	-	(759,923)	(759,923)	(819,040)
Total non-operating revenues, net	123,735	915,380	1,039,115	1,334,857
Income (loss) before operating transfers	(105,898)	1,199,768	1,093,870	(199,624)
Operating transfers in	-	560,600	560,600	157,076
Net income (loss)	(105,898)	1,760,368	1,654,470	(42,548)
Add back depreciation on assets funded by grants externally restricted for capital acquisition and construction	-	616,834	616,834	538,204
Net increase (decrease) in retained earnings	(105,898)	2,377,202	2,271,304	495,656
Retained earnings at beginning of year	1,319,007	4,971,157	6,290,164	5,794,508
Retained earnings at end of year	1,213,109	7,348,359	8,561,468	6,290,164
Contributed equity at beginning of year	-	14,675,451	14,675,451	14,501,756
Grants and other revenue externally restricted for capital acquisition and construction	-	1,462,665	1,462,665	711,899
Depreciation on assets funded by grants externally restricted for capital acquisition construction	-	(616,834)	(616,834)	(538,204)
Contributed equity at end of year	-	15,521,282	15,521,282	14,675,451
Fund equity at end of year	\$ 1,213,109	22,869,641	24,082,750	20,965,615

The accompanying notes to general purpose financial statements are an integral part of this statement.